...toBoard

...Aashbrink, has announced ...he plans to resign some... this fall. He has indi... that he will take the ... of Eric Brofoss, the ...er governor of the Nor... Central Bank, as the ...ic representative of the ...national Monetary Fund ...tors in Washington.

•

Oklahoma Senator has ...ed another shortage. ...one involves fertilizer Senator Dewey F. Bart... a Republican, wants the ... of Living Council and ...Agriculture Department ...t on the matter. ...nator Bartlett, who said ...ituation in Oklahoma is ...al, sees the problem as ...of fertilizer companies ...g more money from ex... than domestic sales. In ...ams to the Cost of Liv... Council and the Depart... of Agriculture, the Sen... has suggested raising ...omestic price ceiling. ...osphate based fertiliz... are being exported for ...lerably more a ton than ... they can be sold for ...tically. Ammonia fer... also are being export... ...or considerably more ... domestic price," said ...or Bartlett. ...noted that wheat farm... his state were ready ...nt but cannot do so ...ut fertilizer.

DOUGLAS W. CRAY

STOCK EXCHANGES FEEL PROFIT PINCH

Continued From Page 43

their treasuries as a hedge against poor years. The Big Board doesn't even, mention "profit" in its quarterly statements. Rather, it reports "net revenues" and no surplus is distributed to the exchanges members or member firms, who in effect own it.

The Amex said yesterday it expected that "the loss will be substantially offset during the balance of the year as major cost-reduction programs become effective and by increased listing fees recently adopted by the board of governors and approved by the Cost of Living Council."

A listing fee is the price that a company pays to have its shares traded on an exchange. The Amex now charges 1 cent a share for the first million shares, ¾ cent for the second million, ½ cent for the third million, ¼ cent for three to five million and ⅛ cent for the the amount over five million shares.

Lower Breakpoints

Previously, the breakpoints for volume reductions were at lower levels which yielded less revenue. Both the Amex and the New York exchange also levy annual fees for continued listing as well as additional fees when a company wants to list additional shares.

The Big Board charges a basic 1 cent a share for any amount up to two million shares and then scales the rate down to ⅛ cent for 300 million or more shares. Obviously, a large number of new listings for the Big Board, the Amex or any exchange could produce a surge in revenues.

But in times of distress, when the securities markets are falling and investors lack confidence, the volume of new listings tends to dry up. Fewer companies go public and fewer are able to sustain the financial growth needed to meet the sales and earnings standards required by the exchanges.

Earnings difficulties at the exchanges thus are a by-product of, rather than a cause of, falling markets. Weak markets, moreover, tend to inhibit capitalism if they last a long time, because investors lose confidence in their ability to earn money through putting their savings into stocks.

The Heart of Capitalism

The exchanges operate at the heart of capitalism by providing a place where buyers and sellers of securities can meet through their brokers. To do this, they must generate enough revenues to cover their costs.

The largest cost item at the Amex in the first half was $3.7-million for salaries and wages. The largest revenue item was $4.2-million for communications charges, largely reflecting the charges for processing and transmitting orders to and from the floor of the exchange from brokerage offices all over the nation.

Transaction charges, amounting to 1.5 per cent of the commissions paid by investors, brought $2.1-million into the Amex in the half-year and listing fees brought in $2.2-million. Other items brought the revenue total to $11.94-million, down from $13.45-million in last year's first half.

RETAILERS ISSUE EARNING REPORTS

Continued From Page 46

in Northern California, acquired in May, 1972. One unit was closed and the others converted to the Ralph's Industries name and format.

There was an across-the-board improvement in the soft- and hard-goods lines in most store operatons, according to a company spokesman. However, profits were adversely affected by unusually large pre-opening costs in the second quarter due to an expansion program.

Federated opened 2 stores in the first quarter and six in the second. Four more have been opened in the third quarter thus far and two are scheduled to open in September. Last Monday a Bloomingdale's Chestnut Hill, Mass., home furnishing store was opened and on Sept. 13 Abraham & Straus opens in Rego Park, Queens.

OTHER RETAIL REPORTS

	1973	1972
BROADWAY-HALE STORES, INC.		
13 wks. Aug. 5 R	$222,006,000	$195,623,000
Net income R	5,650,000	4,704,000
Shr. earns.	28c	23c
25 weeks sales R	$438,092,000	$380,853,000
Net income R	10,772,000	8,937,000
Shr. earns.	53c	42c
DAYTON HUDSON CORPORATION		
Qtr. to Aug 4		
Sales	$320,162,000	$289,161,000
Net income	1,720,000	a3,034,000
Shr. earns.	11c	25c
6 mos. sales	$616,695,000	$538,001,000
Net income	3,128,000	a5,022,000
Shr. earns.	19c	30c
a-After extraordinary gain of $1,078,000.		
DILLARD DEPARTMENT STORES		
Qtr. to Aug. 4		
Sales	$27,228,000	$23,703,000
Net income	654,885	a562,121
Shr. earns.	54c	52c
6 mos. sales	$53,598,000	$46,127,000
Net income	860,555	b738,605
Shr. earns.	72c	65c
a-After special loss of $12,289.		
b-After special credit of $20,304.		
GRANT (W.T.) COMPANY		
Qtr. to July 31		
Sales	$456,508,000	$378,235,000
Net income	[illegible]	[illegible]
Shr. earns.	14c	13c
6 mos. sales	$836,647,000	$698,943,000
Net income	a3,707,243	2,371,264
Shr. earns.	[illegible]	1c
a-Net loss.		

COUNTER SUIT FILED BY COASTAL STATES

The Coastal States Gas Corporation yesterday filed a $30-million counter claim in Federal District court for Southern Texas charging the British Petroleum Company, Ltd. and Nelson Bunker Hunt of Texas with violation of the Sherman antitrust act and the Clayton Act.

Coastal States charged BP and Hunt with entering into a conspiracy to restrain trade and commerce. It also contended that BP and Hunt had effectuated a group boycott of Coastal States.

The counter claim was filed against a suit initiated earlier by BP and Hunt alleging that Coastal States had obtained crude oil produced from a Concession in Libya that belonged to BP and Hunt until nationalization by the Libyan Government.

A spokesman for BP yesterday denied any attempt to interfere "with Coastal States legitimate trade" but said the crude oil in question did not belong to Coastal States. He also noted that "Our claims on the crude have been publicly supported by the United States Department of State."

Commodity Price Index Off .3 From Week-Ago Level

The commodity spot market price index of foodstuff and industrial materials fell to 209.5 from 213.2 last week.

The index compiled by the Bureau of Labor Statistics stood at 120.4 on Aug. 22, 1972.

The following table gives the index and its components using 1967=100 as a base.

	In-dex	Live-stock	Text'l	Fats & Oils
Aug. 7	205.2	236.1	186.3	304.3	149.0	183.5	265.1
Aug. 14	213.2	244.4	193.9	336.5	149.0	187.6	306.7
Aug. 21	209.5	241.9	189.6	314.4	148.6	191.6	308.9
1972—							

Bank Finds Profit Rises In '73 Mainly 'Phantom'

The huge profit gains reported by American corporations so far this year represent largely "phantom profits," the Morgan Guaranty Survey says in its August edition, to be published today.

The Morgan Guaranty economists said that a close study of the financial statements of large companies showed that more than half the increased profits reported are capital gains on inventory holdings resulting from price inflation.

"Such inflation-induced profits are of very questionable value," the report said. They can disappear if prices go down again and if prices remain up, the "increases which yield inventory profits also raise the cost of replacing goods removed from inventory . . . so there is no net benefit."

Federal Reserve Decides To Amend Regulation Q

WASHINGTON, Aug. 23 (Reuters)—The Federal Reserve said today its board of governors voted to amend regulation "Q" effective Sept. 10, to impose early withdrawal penalties on any changes in either the maturity or interest rate on existing certificates of deposit.

The board proposed the rule change last month following consultations with the Federal Home Loan Bank Board and the Federal Deposits Insurance Corporation.

Under the new rule any change in the maturity of the interest rate on an existing time deposit would be regarded as a withdrawal and be subjected to the early withdrawal penalty.

CAMP, HAPPINESS, KIDS.
THE FRESH AIR FUND.

...nge Transactions

...gh	Low	Last	Net Chng
...	47¼	47⅜	+ ⅛
...	52½	52½	
...	45¼	46	+ 1
...	62½	62⅞	+ ⅝
...	76⅝	77⅜	+ ⅜
...	109½	109½	+ 1
...	...	...	...

1973 High	1973 Low	Stocks and Div. In Dollars	P/E	100s	High	Low	Last	Net Chng
32⅞	10⅛	UnitInn .10	10	12	12	11¾	11¾	— ¼
28⅜	17⅛	UJerBk 1.04	7	7	17⅜	17⅛	17⅛	
23½	17½	UnMM 1.30	6	7	18¼	18⅛	18¼	— ⅛
13⅛	6	Un Nucir		22	8½	8⅜	8⅜	— ⅛
2⅜	1½	UnitPk Min		20	2¼	2⅛	2¼	
27⅜	12⅛	UnRefne .32	5	30	13	12¾	13	

...

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CAMP, HAPPINESS, KIDS.
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of these securities. The solicitation